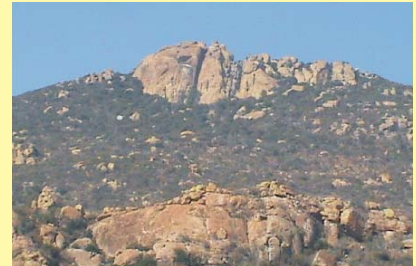


Tourism

The Municipality has potential for tourism attraction as there are two nature reserves sites (Ratang Baeng (Mashashane) and Bakone Game Reserve (Matlala) in the municipal area that is not utilised. Utjane dam and Mogoshi Mountains have potential of tourist attraction. Already, the tourism feasibility study has been compiled. The Tourism Development Strategy recommended that four agri-tourism projects, with high economic impact, be selected for more detailed investigation and business planning. The efforts have been taken for the development of those business plans for the purpose of sourcing funds. Interestingly these areas of tourist potential are located nearby growth points as identified by the SDF.

Informal Economy

Informal economy participants in Aganang Municipality are concentrated and operate mostly in taxi ranks, Knobel Hospital, clinics (Matlala & Mashashane), and at schools. Informal economy activities are not being regulated by the municipality. Informal traders in Aganang Municipality are not affiliated to any hawkers association. A dedicated survey is currently being conducted which will illustrate how many people are trading and which sectors are trading in, thus creating a database on informal economic activities for Aganang. During the survey, traders are being assisted to organize themselves into a structure that will facilitate communication with the municipality. The database and the elected representatives of the traders will assist in terms of planning and support interventions that are required to promote the informal economy of Aganang Municipality. Currently, there is an initiative to construct the market stalls in one of the nodal points.



Loan Scheme

Aganang Municipality in partnership with LIMDEV came up with a loan scheme to assist the local businesses. This came as a result of smaller businesses experiencing difficulty in getting their businesses off-ground. So far, a total number of 12 businesses have been assisted, and it is acknowledged with appreciation that this initiative made a positive injection to those businesses.

BUSINESS NAME

The Kgomo's Bar
Mafafo PM
Sethanyi Fashion Design
Mafafo PM
Mokwele MP
Hlabiwa LKS
Ledwaba MI
Masenya TJ

LOAN GRANTED

R49, 843-37
R41,208-48
R122, 463-71
R31,615-80
R70,798-00
R24,714-35
R96,806-42
R25,785-00



Land use management scheme

The Municipality has managed to develop Land Use Management Scheme which will serve as a tool to control land development within the Municipality. Training was also provided to Council, Tribal Authorities and Officials.

Spatial development framework

The Municipality has managed to under take the development of the Spatial Development Framework for the Municipality which serves as tool to give direction and to guide decision-making and action over a multi-year period aimed at the creation of integrated and habitable cities, towns and residential areas

The SDF identified one Municipal Growth point (i.e. Rampuru), three population concentrations points (Madietane, Mashashane and Ga-Ngwetsana) and two local serviced points (i.e. Tibane and Kalkspruit) with their future directions for development, major and Minor corridor development, areas with potential for agriculture and implementation strategies and programme for the framework is identified.

Township establishment

Township in Aganang is not a dream anymore, but a reality. A research has been conducted to actualise intensive infrastructure planning for a new township within Aganang Municipality. The findings were that there is a need for the Municipality to develop a comprehensive infrastructure plan for the entire township area, which should also be clearly designed on the layout plan. Different mechanisms are being employed by the Municipality to mobilise funding and partnerships from different financial institutions and investors for the actual implementation of the Township.

Intensive discussions are continuing between the Municipality and the affected Tribal Authority to address the issue of land compensation. The Department of Land Affairs and Local Government & Housing are also playing a critical role in terms of advising throughout the process.

Site applications

The Municipality has been able to process site applications as outlined below :

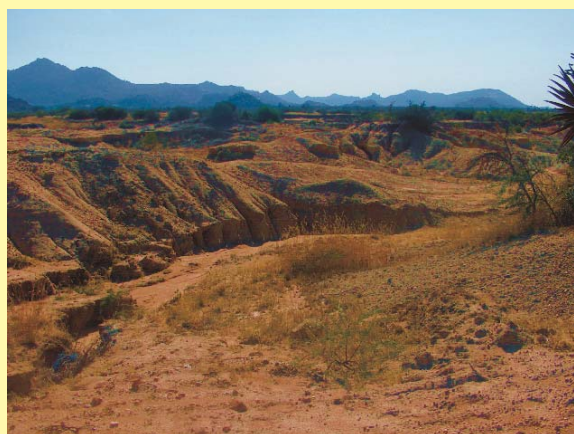
Land use	July 2006-June 2007
Residential site application	58
Business site application	62
Transfer site application	10
Social and welfare site application	02
Church site applications	07
Approved business sites applications	40
Approval residential sites applications	60
Approved transfer sites applications	08
Approved church site applications	04
Outstanding site approvals applications	25

Environmental function

The purpose of the function is to manage the environment within the Municipal area. This is done through gathering and disseminating information with regard to environmental problems and mitigations within the Municipal area.

Soil Erosion

Site visit has been conducted to different villages to assess areas that experience excessive soil erosion. The following areas are considered to require attention concerning restoration of the area i.e. Kanana, Uitkyk, Bugwal, Madietane, Naledi, Venus, Mashashane and Kalkspruit



Area between Naledi and Phomolong

Sand mining and borrow pits

Sand mining and borrow pits are some of the environmental challenges that Aganang Municipality is facing due to developments that take place within the municipality. Developments such as construction of RDP houses and roads cause high demand sand and gravel. These lead to increasing number of borrow pits and sand mining within the municipality. The following areas experience sand mining: Ga Kolopo, Venus, Naledi, and Kalkspruit.

Alien plants

A study affecting various areas within the Municipality has been conducted in order to investigate the presence of alien plants and the possible extent of damage they are causing. Two types of alien plants have been detected to grow in large number within the municipality namely *Oportia Ambricata* and *Corifolia Lofolaena*.

Oportia ambricata

Oportia Ambricata is infesting the area of Lonsdale, Mankgodi and Cooperspark. Due to climatic conditions the plants might extend to other areas quickly. The presence of wind and rain water could disperse the seeds to other areas



Infestation of Oportia Ambrica at Lonsdale



Sectional view of Oportia Ambricata



Impact of Oportia Ambrica on livestock



Corifolia Lofolaena

Corifolia Lofolaena has been found around Mashashane area (from Kalkspruit to Ga- Mashashane, between Monotwane and Diana). The plant is extending to other villages such as Jupiter, Venus and others. The growing of this alien plant result from the area that was cultivated before and is no longer cultivated. The plant will extend to other affected areas caused by rain water and

CHAPTER3

Human Resource and other Organisational Management

Human Resource Management and other Organisational Management

Aganang Municipality has managed to maintain its Human Resource Unit which has supported core departments and supporting department in implementing IDP objectives. The unit among other areas of support has played a role in administering recruitment and placement of Human Resources within 2006/07 financial year; has coordinated labour relations issues and as well as training and development.

The municipality has experienced a challenge on training and development where the municipal Workplace Skills Plan (WSP) was not recognized by LGSETA due to late submission. This has affected our training and development since the municipality had to train out of small budget of R240 000,00 which was quite frustrating, however the municipality would like to thank the institutions such as SALGA, Capricorn District Municipality, Department Local Government and Housing and National Treasury which offered trainings that covered some other areas of the Municipal Training Plan. In the mist of all these, the municipality with its insufficient budget has managed to train and support development of its employees.

The municipality has experienced another challenge of staff turnover of 18% of 62 employees. The 18% include the Municipal Manager, Chief Financial Officer, Senior Admin Officer, Senior HR Officer, Senior Information Technology, Senior Marketing Officer, Media Liaison Officer, Payroll Officer, Junior Technician, Secretary: CFO, Secretary: EDP, General Assistant and Intern Finance .

The municipality managed to review and implement Staff Provisioning policy as well as Service Conditions policy. This has brought up peaceful relations between the Employer and the Organized Labour with regard to personnel recruitment and placement. It was noticed that the Employment Equity Plan was not clear on equity targets which made the implementation and reporting very difficult. The Municipality made a plan to review the equity targets to enable implementation and easy reporting. The Employment Equity Report was submitted on time despite challenges experienced with regard Employment Equity Targets. The municipality also managed to review and implement its Organizational structure.

HUMAN RESOURCE MANAGEMENT

Employment Equity and Transformation:

We managed to develop and submit Employment Equity Plan to the department of labour. The Employment Equity plan is for 2006-2010.

Department	Total no. of Posts	Total No. of Vacancies	Total no. of filled posts
Municipal Manager's Office	13	8	5
Mayor's Office	2	0	2
Economic Development and Planning	9	3	6
Technical Services	70	64	6
Corporate Services	35	10	25
Finance	17	1	16

SALARY DISCLOSURES: COUNCILLORS

	Mayor	Speaker	EXCO	Whip	Part-time	Total
Salary	251, 161.8	212 360.76	109 498.44	199 088.16	79,635.60	851, 744.76
Cellphone Allowance	13404.00	13404.00	8, 364.00	13404.00	8,364.00	56, 940.00
Car Allowance	101 755.92	81405.00	41973.96	76 317.00	30525.96	331, 977.84
Pension fund contributions	37 742.16	31854.12	16 424.76	29 863.20	11, 945.4	127, 829.64
TOTAL	404, 063.88	339,023.88	176, 261.16	318,672.36	130, 470.96	1, 368,492.24

SALARY DISCLOSURES: MANAGERS

	M Manager	CFO	CS Manager	TS Manager	EDP Manager
Salary	355,383.84	282,672.79	272, 486.54	279, 138.12	279, 138.12
Housing Allowance		9,504.00			
Industrial Levy	36.00	36.00	36.00	36.00	36.00
UIF	1,315.92	1315.92	1315.92	1315.92	1315.92
Medical Aid	16, 632.00		11, 515.2		
Cell phone Allowance	1000.00	850.00	850.00	850.00	850.00
Car Allowance	120,000.00	139,284.00	72,000.00	98,099.64	98,099.64
Pension fund contributions	78,184.44	62,187.30	59, 947.08	61,410.36	61,410.36
13 th Cheque			22, 707.21		
TOTAL Package	571,552.20	495,000.01	440,000.06	440,000.04	440,000.04

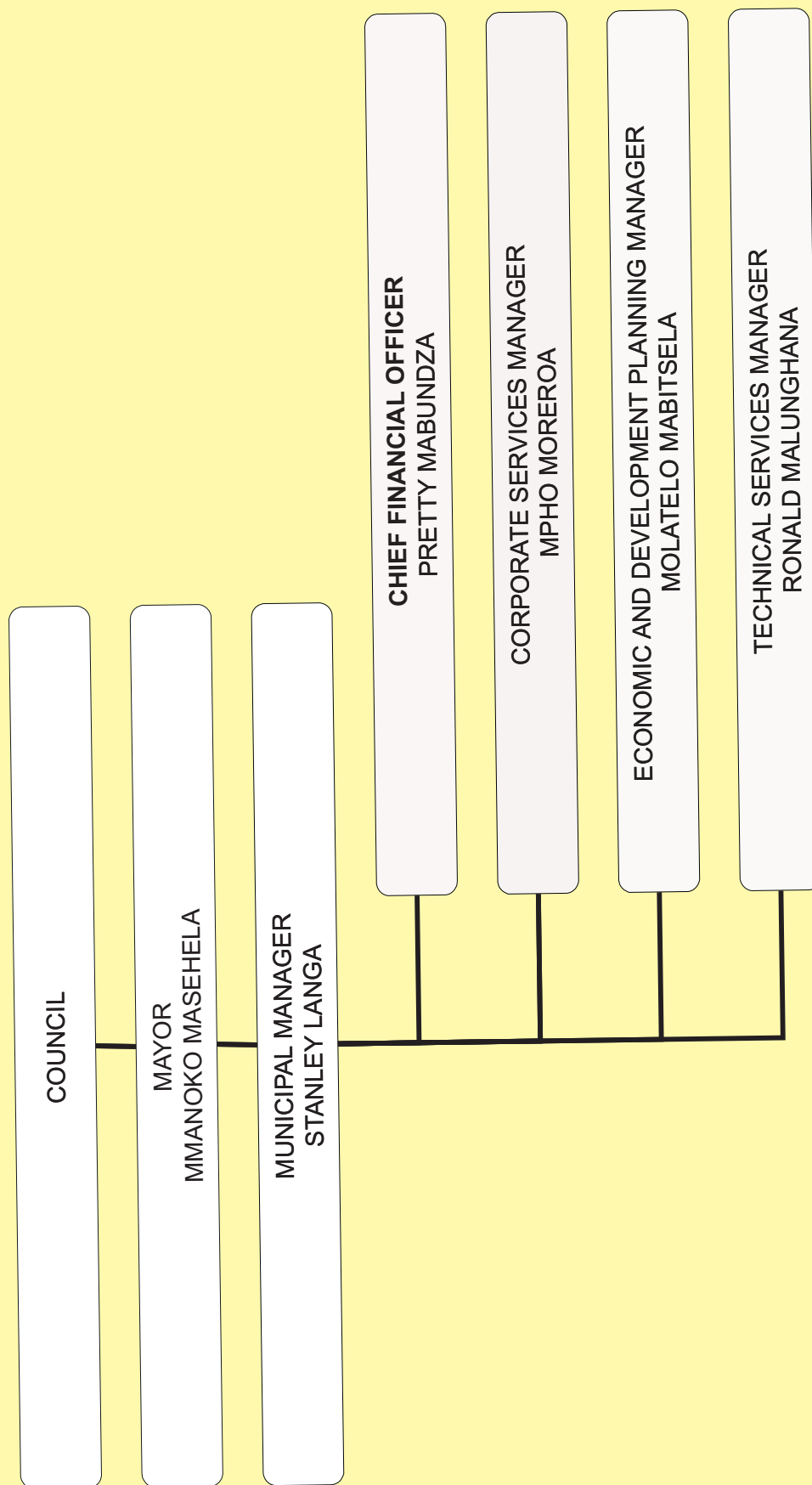
PERSONNEL EXPENDITURE TRENDS FOR THE PAST 3 YEARS COMPARED TO BUDGET

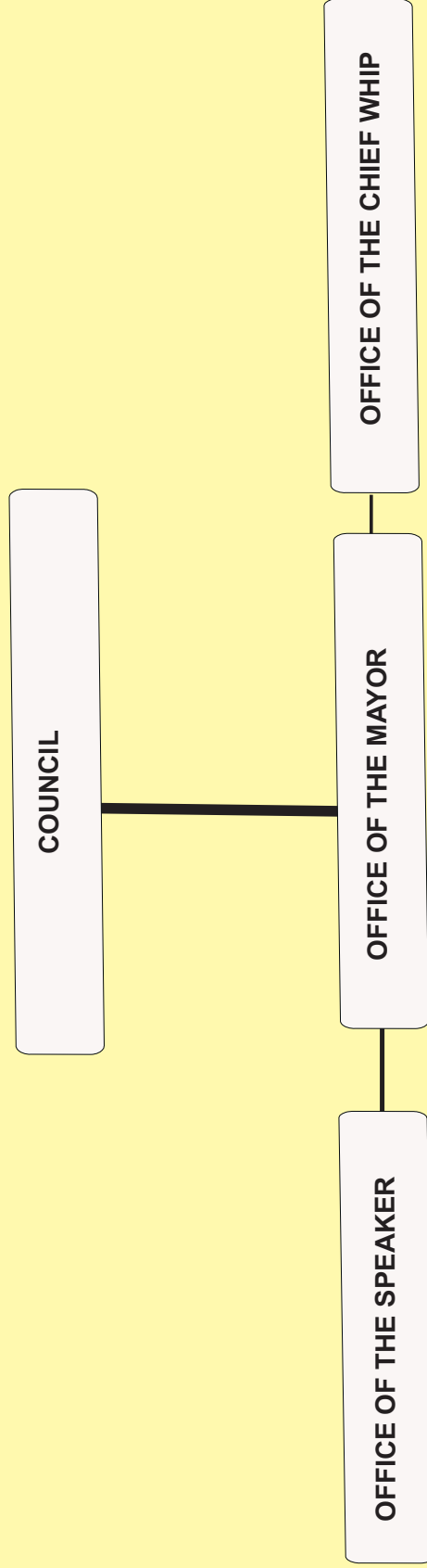
YEAR	EXPENDITURE	BUDGET
2004/05	6,953,314.00	8,300,567.00
2005/06	9,257, 149.00	12,001,636.61
2006/07	17,124,263.00	20,539,253.00

EMPLOYEE & EMPLOYER CONTRIBUTION TO PENSION FUND PER ANNUM

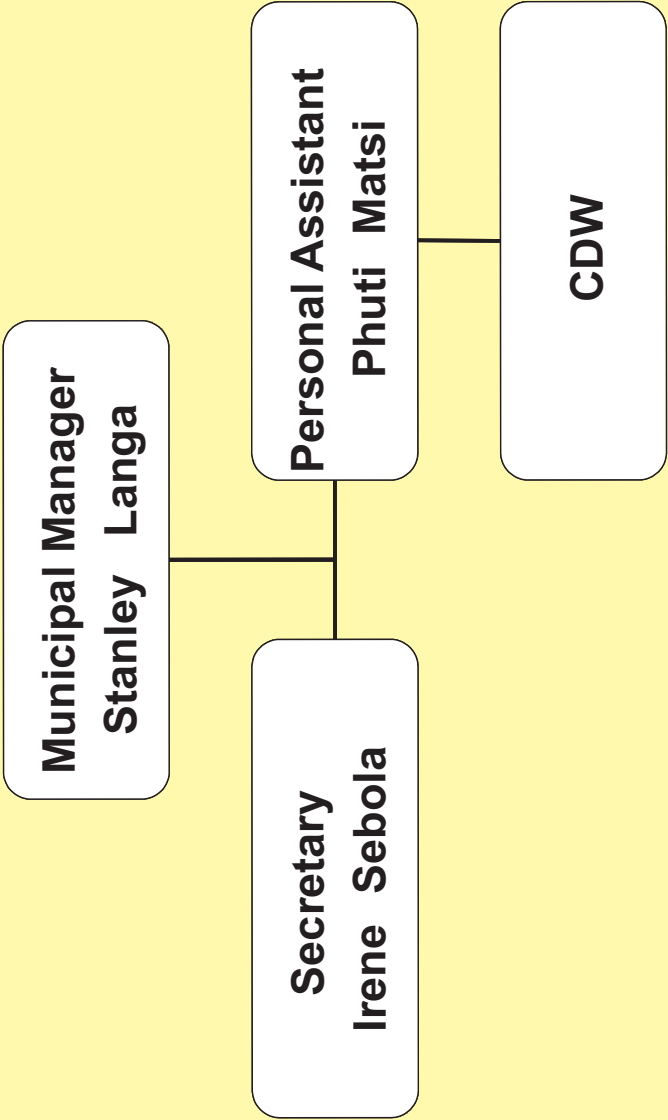
MEPF	932,338.86
MCPF	883,345.02
MGF	595,853.52
LGPF	275,783.64

COUNCIL AND MANAGEMENT OF THE MUNICIPALITY

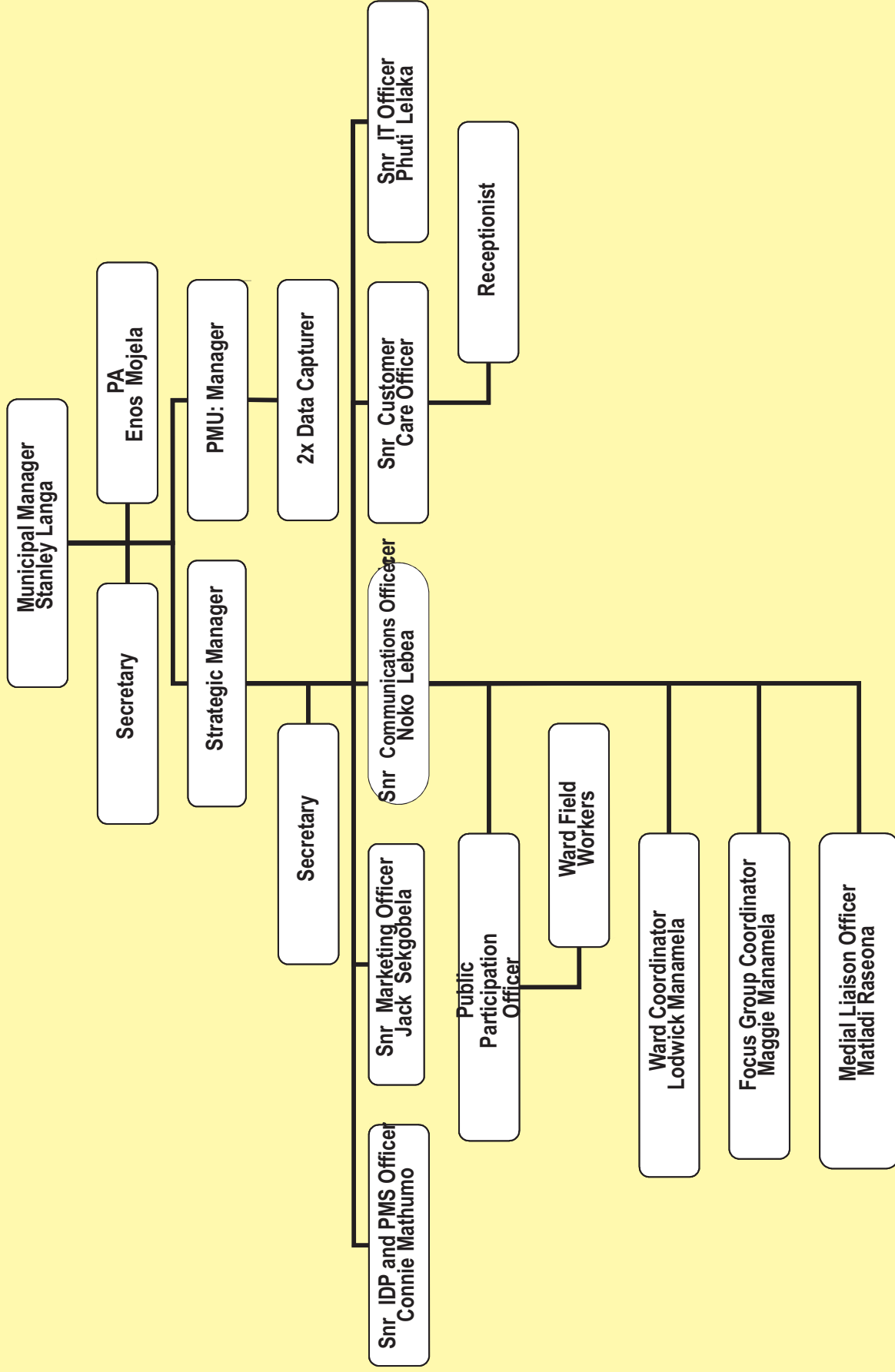




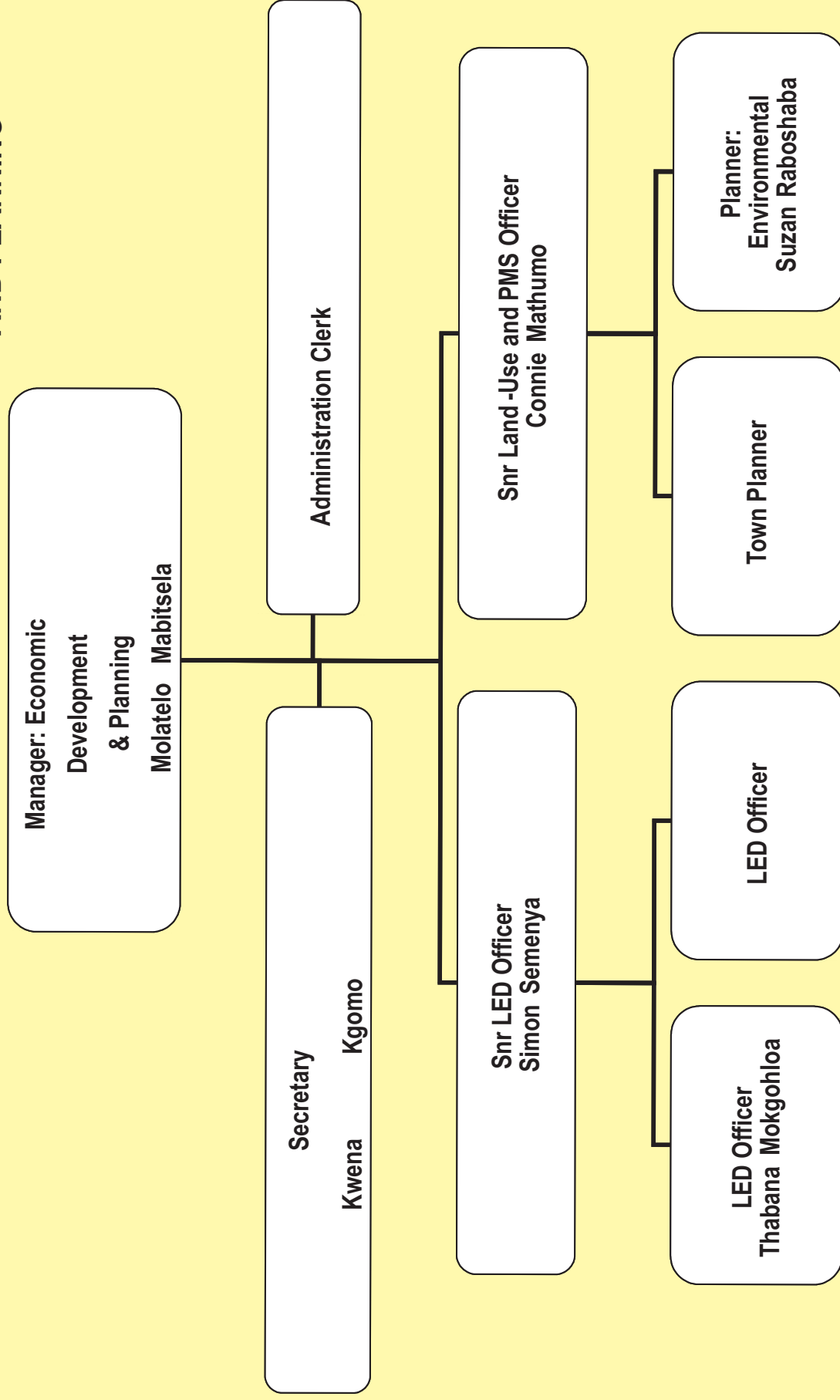
OFFICE OF THE MAYOR



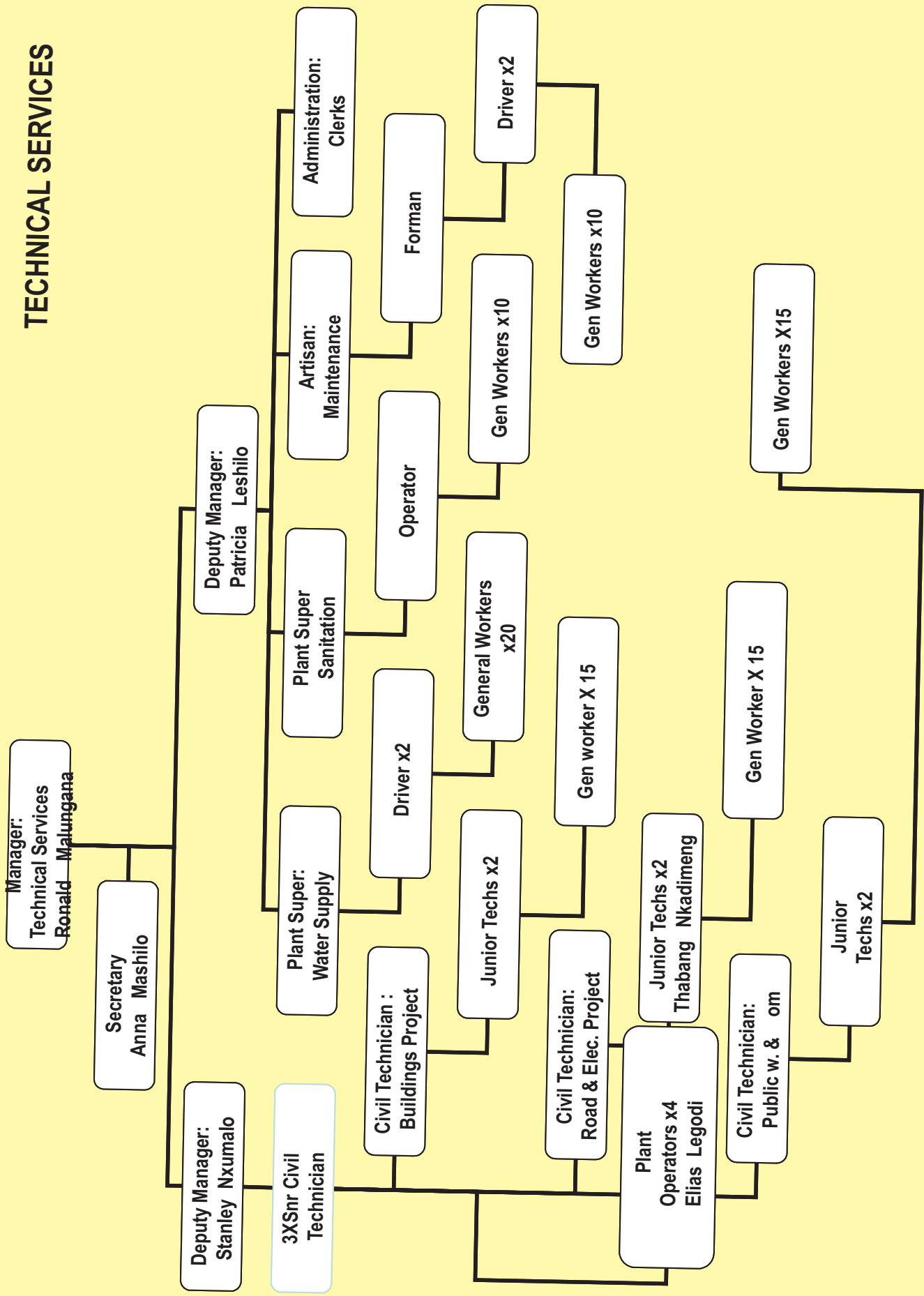
OFFICE OF THE MUNICIPAL MANAGER



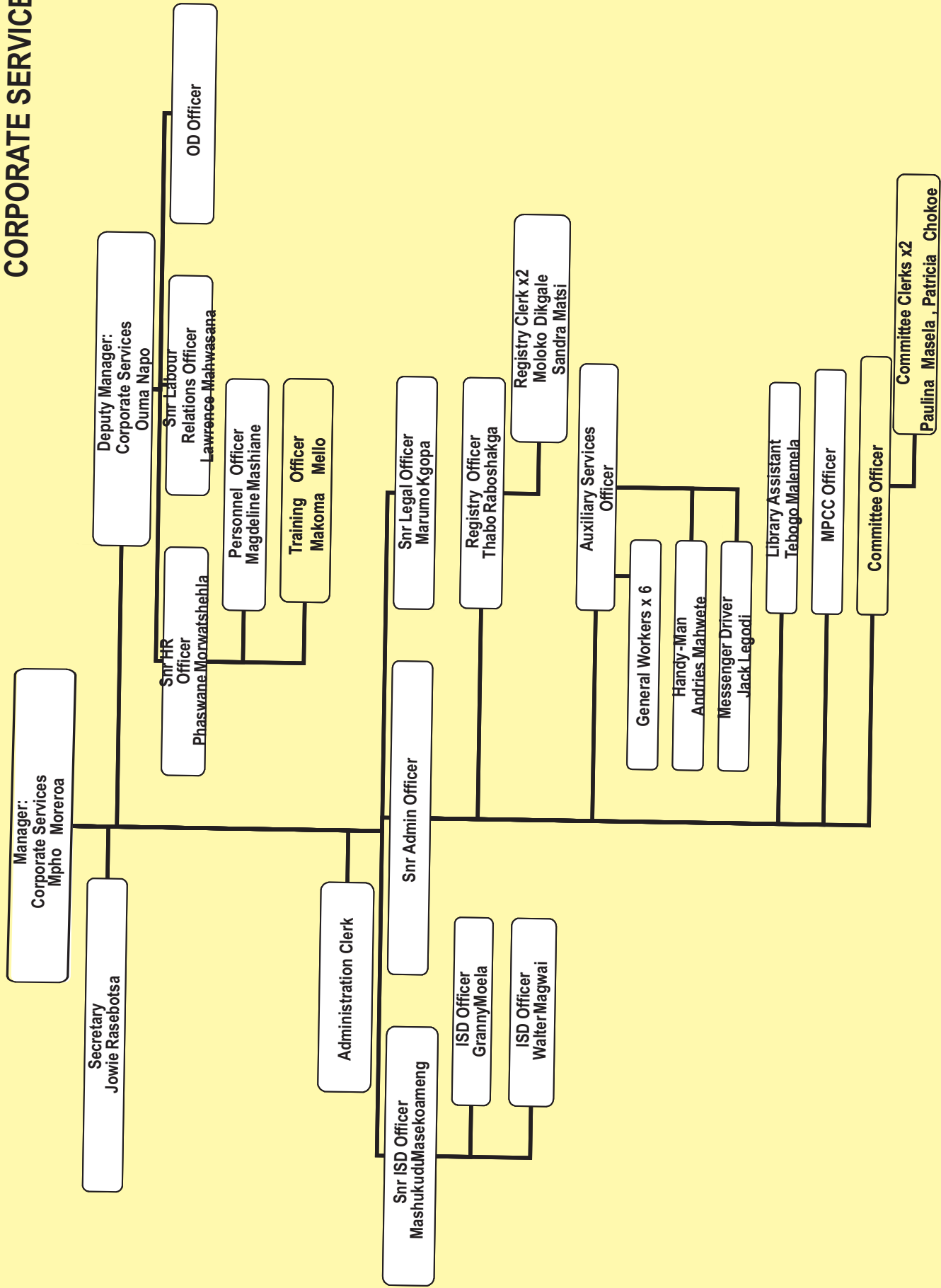
ECONOMIC DEVELOPMENT AND PLANNING



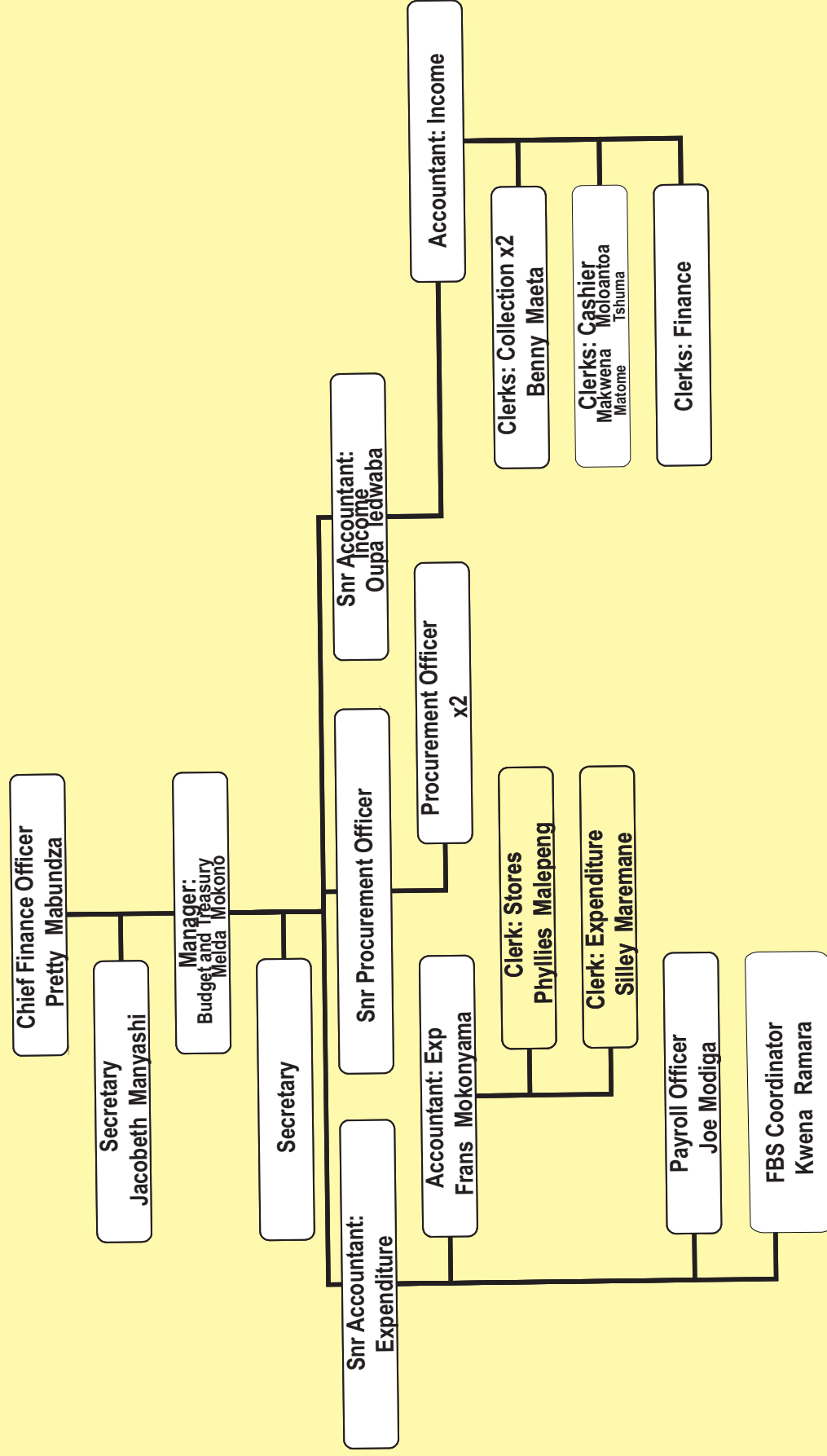
TECHNICAL SERVICES



CORPORATE SERVICES



FINANCE



Other Organizational Management

Communication and Public Participation

Communication and Public Participation are the most important central elements to service delivery by which successful planning, analysis, strategy and product development and implementation can take place. A number of activities need to be decided on to ensure full participation of the different role-players through formal institutional arrangements.

The municipality was able to engage communities through Izimbizo, Budget and IDP Consultative meeting and General Ward meetings.

Established Ward Offices

Ward	Villages	Location of Offices	Status
01	Burgwal	Motlakgomo Pre-School	Functional
02	Sebotse	Nare-Mohlalerwa P. School (Pre-School yard)	Functional
03	Maribana	Magoshi Primary	Functional
04	Phaudi	Mabjana Shop	Functional
05	Monyoaneng	Monyoaneng Clinic	Functional
06	Lonsdale	Lonsdale Clinic	Functional
07	Tibane	Ramaila T Store	Functional
08	Ceres	Masenya Wholesales	Functional
09	Gordon	Modumo Pre-School	Functional
10	Moetagare	Moetagare Primary	Functional
11	Kalkspruit	Maraba Tribal Hall	Functional
12	Naledi	Nkokoba Pre-School	Functional
13	Maune	Maune Supermarket	Functional
14	Boetse	Maduludi T Store	Functional
15	Diana	Diana Village	Functional
16	Setumong	Ipopeng One Stop	Functional
17	Madietane	Baphepeng Eating House	Functional
18	Dibeng	Dibeng Primary	Functional

Ward Committee Forum

All committees are functional and we are proud to report that we have spend all the conditional grant (MSG) allocated. The total amount of 245.000,00 was allocated for the financial year 2006/07 and we provided training for all ward committee members. We also provided administrative support to all the ward offices. The allocation was mainly used for office rental, stationery and equipment, reimbursement of ward committee members and training.

Activity	Amount Used
Training & Catering	R77 232,00
Ward Committees Reimbursement	R 32 620,00
4 Computers & 5 printers	R23 310,00
Furniture	R313 10, 00
Stationery	R47 876,26
Office rental	R51 000,00
Cleaning Material	R197 47,04

Governance and Institutional development

Council and Establishment

Aganang Municipal Council was successfully established with a total of 36 councillors during the Municipal Elections in 05/06. Council was established out of the following parties:

ANC	30
ACDP	1
AZAPO	1
UIF	2
DA	2

Four ordinary Council meetings were held within the financial year and a total of 3 special meetings. Three traditional leaders who participated in the matters and activities of the Council were Kgošigadi Maraba, Kgošigadi Matlala and Kgošhi Mashashane.

Council committees

The Council is composed of the following committees:

1. Ethics and Rules Committee
2. Oversight Committee
3. Portfolio Committees
 - 3.1 Economic Development and Planning
 - 3.2. Infrastructure development,
 - 3.3 Institutional Development
 - 3.4 Human Resource
 - 3.5 Finance
 - 3.6 Health and welfare

All the 3 established portfolio committees were able to meet per month.

Legislation

The Municipality managed to adopt 6 by-laws on Indigent, Tariff, Property rate, Billboards, Credit control and Debt Collection and Cemeteries. The By-laws had been submitted to Department of Local Government in the Province for gazetting.

Councillors Programme of work

Aganang Municipality has now three full time councillors (Mayor, Speaker and Chief Whip) who are available to help in customer service for service delivery. With all the councillors based in wards, they participate in monthly meetings with their ward committees and ward officers.

AGANANG'S PERFORMANCE MANAGEMENT SYSTEM

A Framework on the Municipal Performance Management has already been adopted by the council. All Managers including the Municipal Manager have signed their performance agreements. A consultant has been appointed to develop agreements for Senior Officials. The plan is to have the performance agreements cascaded even to the lowest level of the employees to quicken service delivery.

The strategic intent of the Aganang Municipality was translated into a Municipal Strategy Map and Scorecard by means of an assessment and facilitated strategic workshop (this is part of the process whereby managers are equipped to understand and to implement the system). This Municipal Scorecard will be used to develop and align the IDP, departmental, individual / team performance agreements to the overall strategic intent of the Municipality.

Figure 1.1.

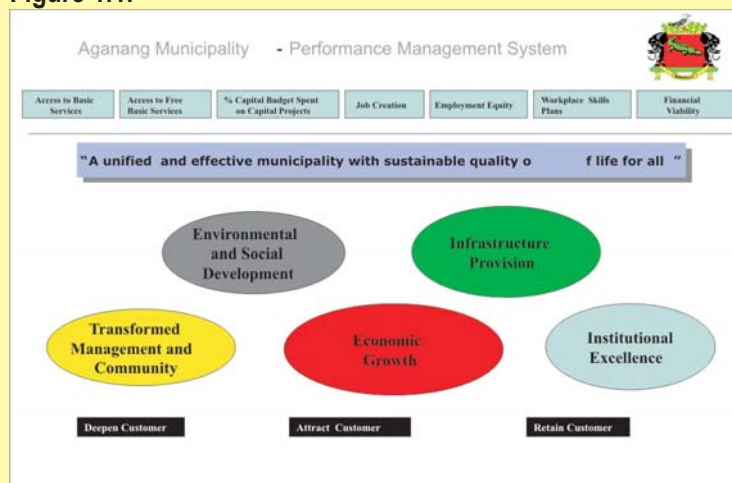
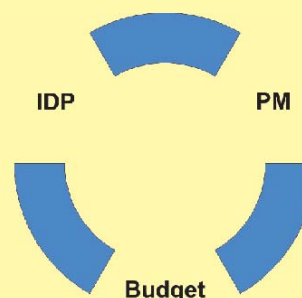


Figure 1.2



During these working sessions the IDP projects were linked to the specific strategic objectives, the institutional KPI's and targets. The KPI's were furthermore aligned to the national KPI's for integration purposes. During these sessions the specific focus was on internalisation of the performance management system as well as change management and the setting of a specific working environment and to address sectoral management issues.

The Strategies

After specific workshops were held specific strategies were decided on that changed the previous strategies from Economic Development and Planning, Municipal Services / Infrastructure, Corporate Services and Finances to Transformed Management and Community, Environmental and Social Development, Economic Growth, Infrastructure Provision and Institutional Excellence. This was decided on because little root cause analysis was done when the strategies have been developed originally. Also, medium to long term strategies were lacking. The Balanced Scorecard specifically is long termed focus and creates the platform by which medium to long term strategies must be developed for sustainability that was perceived to have been a shortcoming in the previous IDP.

Integrated Development Plan

Aganang Municipality was able to develop and adopt the Integrated and Development Plan (IDP) for 2006/07 on time.

Budget

As we rely much on the budget to express and meet all the services needs that are stipulated in the IDP, therefore the budget must thus be used as the most important tool to reach short, medium and long-term objectives. Inclusion of the financial plan is a strategy in itself for the budgeting and allocation of the resources towards the different projects and management of those finances. In this year we operated at a total budget of R49 638 406.00 as our total expenditure for the year.

Revenue Management

The Municipality managed to raise 88% increase in 2006/07 in terms of the residential levy which it generated from its communities. The amount raised was from R50 765 to R407 150. The increase was caused by a 40% rebate offered to ratepayers in the 2006/07 financial year.

CHAPTER 4

Financial
statements and related
statements

Preface

We are glad to present the financial statement for 2006/2007 financial year which is in compliance with the Municipal systems act and Municipal Finance Management Act. Aganang Local Municipality has implemented the following systems: Human Resource Management; Performance Management, Financial Management and Integrated Development Plan.

The Municipality has also outsourced our internal audit function, the internal auditors have prepared our risk profile in order to identify where mitigation is critically required. We however have not succeeded in appointing for an audit committee.

Despite our huge efforts in implementing IDP, Budget & our municipal systems, we are still faced with challenge of increasing our own revenue collection; retention of staff in rare skills category and service delivery backlogs. Four internal audits were conducted on most critical risk factors. We therefore acknowledge that we continuously reviewing and implementing systems that promote sound/good government. With the limited financial resources as the main challenge we have appropriated our limited funds for high priority projects

1. Electrification projects
2. Construction of roads network
3. Construction of creches
4. Local Economic Development Projects

The Municipality is still faced with the challenge of uneducated households in terms of municipal activities, which in the 2006/7 financial year, extensive community participation were conducted starting with Magoshi, Ward Committees, Indunas, moving to ward based consultations & village based consultations. Items discussed amongst others were Property rates implementation, budget preparation, IDP & Municipal drafts by-Laws.

Though community consultations have been successful in the past there is still a need in the coming financial year to continue educating households especially on Property rates Act. Despite our huge efforts in implementing IDP, Budget & our municipal systems, we are still faced with challenge of increasing our own revenue collection; retention of staff in rare skills category and service.

Ramakuntwane Selepe
Municipal Manager

REPORT OF THE CHIEF FINANCIAL OFFICER

Introduction

Our 2005/2006 Financial Statements was submitted to Auditor General for audit purpose and an unqualified opinion was expressed. During the current financial year we emphasised on improving our internal control systems.

The transformation and restructuring of municipalities continues to be a challenging process. For the financial year Council was faced with the following challenges:

- * Implementation of the MFMA
- * Preparation for implementation of Property Rates Act
- * Non-payment of services
- * Provision of Free basic services to indigents
- * Provision of Free basic services to indigents

The Council was faced with serious challenge in the implementation of the National Policies on free basic services due to lack of information and infrastructure. All registered indigents receive 50kw units of electricity every month for Free Basic Electricity. The Free Basic water supplied to the community cannot be measured for every household, as we only subsidise the community by buying diesel and electricity to operate boreholes. We have also realised challenges of poor collection of FBE tokens, which results to beneficiaries not benefiting.

However the Municipality is embarking on increasing the beneficiaries in the following financial year by increasing registration of indigents.

We also are faced with the challenge of implementing our new financial system. The implementation is currently running at slow pace due to problems of insufficient human resource capacity & high resignation rate of our officials

We are prioritising the full implementation of the system in the next financial year, which we have already started with implementation of the system. We are also as a Municipality looking at the capacitating our officials to be multi skilled as a form of skill transfer initiatives.

The municipality is currently experiencing a huge challenge of revenue, we are experiencing an uncontrolled increase of our debtors roll, low revenue base due to lack of infrastructure within our jurisdiction and non payment culture among our ratepayers

Despite these challenges the financial year ended in a success

OPERATING RESULTS

Details of the operating results per department, classification and object of expenditure are disclosed in appendices C and D. The overall operating results for the year ended 30 June 2007 are as follows:

	Actual 2007 R	Actual 2006 R	Variance 2006 %	Budget 2006 R	Variance Actual/ Budget
INCOME					
Opening surplus/(deficit)	6,218,157	5,049,441			
Income	44,294,594	33,376,738	33%	49,638,406	-11%
Appropriations for the year	(138,832)	1,388,052			
	50,373,919	39,814,231			

EXPENDITURE					
Operating expenditure for the year	37,508,414	33,596,074	12%	49,638,406	-24%
Appropriations for the year		-			
Closing surplus	12,865,505	6,218,157			
	50,373,919	39,814,231			

Our Income has increased by 33%, which largely influenced by MIG, which is our first financial year having received such money. We also like to recognise the financial support received from our DLGH.

Our expenditure increased with a 12% compared to the previous year, which means that we still need to plan in such a way the increasing our spending slightly in line with our growth.

CAPITAL EXPENDITURE AND FINANCING

The expenditure incurred on fixed assets acquisitions during the year amounts to R 15 340 983 and was financed by funding obtained through grants received.

	Actual 2007 R	Actual 2006 R
Fixed Assets	10,944,553	15,340,982
Capital expenditure during the year	10,944,553	15,340,982

A complete analysis of capital expenditure per department, classification or service is included in Appendix B.

INVESTMENTS

Due to the challenge of low revenue base, the municipality is investing the grants received & not spent in that period into a low risk Absa-32 days notice account. The interest is therefore used to fund our expenses. The balance of which amounts to R 6 517 380 as at 30 June 2007.

BANK AND CASH

Cash balance is made up of an ABSA bank account with the balance of R7 037 713 at year end. Included in cash is a grant received from DPLG for PHP Housing Project for which a separate bank account is maintained. This bank account serve as security for the Housing Trust Fund. Included also in the balance is the account for child headed families, which is maintained by receiving donation from the public.

Refer to note 5 of the Financial Statements.

FUNDS AND RESERVES

Funds consist of a grant received for People Housing Project(PHP) as follows:

Trust fund	628,356
------------	---------

Reserves consist of Transitional Funds received from the previous years.

Reserves	6,710,759
	<u>7,339,114</u>

The movement of of Trust Funds and Reserves is disclosed in Appendix A.

PROVISIONS

Provisions consist of the following:

Leave Provision	689,173
Retention for projects	576,540
	<u>1,265,714</u>

EXPRESSION OF APPRECIATION

I would like to express my appreciation to the Municipal Manager and the finance officials for the support they offered during the preparation of the financial statements.

AGANANG MUNICIPALITY

ACCOUNTING POLICIES

1. Basic of presentation

These financial statements have been prepared so as to conform to the standards laid down by the Institute of the Municipal Finance Officers in its code of Accounting Practice (1997) and Report on Published Annual Financial Statements (Second Edition January 1996).

1.1 The financial statements are prepared on the historical cost basis. The accounting policies are consistent with those applied in previous years, except if otherwise indicated.

1.2 The financial statements are prepared on the accrual basis:

Income is accrued when measurable and available. Certain direct income is recorded when received, such as licences and government grants.

Expenditure is accrued in the year it is incurred.

2. Consolidation

The Balance Sheet includes Rate and General Services, Trading Service and different funds, reserves and provisions. All inter-departmental charges are set-off against each other, with the exception of assessment rates, which are treated as income and expenditure in the respective departments.

3. Fixed assets

3.1 Fixed assets are stated at historical costs while they are in existence and fit for use.

3.2 Non-substantial fixed assets are written off against income at the date of purchase and are controlled by asset inventory sheets.

3.3 Apart from advances from the various council funds, assets may be acquired through:

- Grant or donation, where the amount representing the value of such grant or donation is immediately credited to the "Loans Redeemed and other Capital Receipts" account.

3.4 The acquisition of fixed assets was financed from the equitable share and other grants received.

3.5 Depreciation: The balance shown against the heading "Loans redeemed and other capital receipts" in the notes to the balance sheet is tantamount to a provision for depreciation, however, certain structural differences do exist. By way of this provision, assets are written down over their estimated useful life.

AGANANG MUNICIPALITY

ACCOUNTING POLICIES

4. Funds and Reserves

4.1 Capital Development Fund

The Capital Development Fund Ordinance no 9 of 1978 requires a minimum contribution of 1,0% of the defined income for the immediately preceding financial year.

No allocation has been made to the Capital Development Fund as Aganang Municipality is in its sixth year of operation, the Municipality is still establishing its resources.

4.2 Reserves

No contribution were made to the reserves during the year under review.

4.3 Trust Fund

A Trust Fund was received from DPLG for People Housing Project. The houses will be completed in the next financial year.

5. Surpluses and deficits

Any surpluses or deficits arising from the operating of trading services are transferred to Rate and General Services to alleviate the tax burden of the rate payers.

6. Treatment of administration and other overhead expenses

The costs of internal support services are transferred to the different services in accordance with the IMTA's *Report on Accounting for the Support Services (1990)*.

7. Retirements benefits

Aganang Municipality and its employees contribute to either the Municipal Gratuity Fund, Local Government pension fund or the Municipal Pension Fund, both of which provide retirement benefits to the employees

8. Provisions

Provisions are created for liabilities or contingencies which are known at the date of the balance sheet. Provisions have been made for leave payments and retentions for capital projects,

9. Inventory

Consumable stores, raw materials, work in progress and finished goods are valued at the lower of cost and net realisable value. In general, the basis of determining cost is the first in, first out method.

AGANANG MUNICIPALITY

ACCOUNTING POLICIES

10. Income Recognition

- 10 Revenue from the sale of goods is recognised when the risk is passed to the consumer.
- 10 Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered.
- 10 Amounts received from government and donors that are considered to be of a revenue nature are recognised on receipt.
- 10 Revenue from the sale of water and electricity is recognised when either a meter reading has been performed or an estimate of consumption is raised on a provisional basis.

11. Investments

Investments are stated at cost, less amounts written off.

Investments are written down to give recognition to a permanent decline in value.

Investment interest are utilised to fund expenses in respective financial year

AGANANG MUNICIPALITY
BALANCE SHEET AT 30 JUNE 2007

	Note	2007 R	2006 R
CAPITAL EMPLOYED			
FUNDS AND RESERVES		7,339,114	8,872,586
Trust Funds	1	628,356	2,161,827
Reserves	2	6,710,759	6,710,759
RETAINED SURPLUS		12,865,505	6,218,157
		20,204,620	15,090,744
EMPLOYEMENT OF CAPITAL			
FIXED ASSETS	3	-	-
NET CURRENT ASSETS/(LIABILITIES)		20,204,620	15,090,744
CURRENT ASSETS		21,817,440	17,728,660
Debtors	4	8,064,172	7,296,601
Bank and Cash	5	7,037,713	2,269,689
Inventory	6	198,175	162,370
Investments	7	6,517,380	8,000,000
CURRENT LIABILITIES		1,612,820	2,637,916
Creditors	8	347,106	1,536,267
Provisions	9	1,265,714	1,101,649
		20,204,620	15,090,744

AGANANG MUNICIPALITY

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 R	2006 R
CASH RETAINED FROM OPERATING ACTIVITIES:		14,229,958	12,567,457
Cash generated by operations	10	(15,030,603)	(13,576,757)
(Increase)/Decrease in working capital	11	(1,828,471)	(250,075)
Investment income		-	952,499
Application of funds		(16,859,075)	(12,874,333)
Cash contribution from State and Public	12	31,089,033	17,231,419
CASH UTILISED IN INVESTING ACTIVITIES		(9,461,933)	(9,180,331)
Acquisition of fixed assets	13	(10,944,553)	(15,340,982)
(Increase)/Decrease in Investment		1,482,620	6,160,651
Cash utilised for the year		4,768,024	(4,823,245)
Cash balance at the beginning of the year		2,269,689	7,092,934
Cash Resources end of the year		7,037,713	2,269,689

AGANANG MUNICIPALITY

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

2006 ACTUAL INCOME	2006 ACTUAL EXPENDITURE	2006 SURPLUS (DEFICIT)		2007 ACTUAL INCOME	2007 ACTUAL EXPENDITURE	2007 SURPLUS (DEFICIT)
R	R	R		R	R	R
30,332,423	32,877,615	(2,545,192)	RATES AND GENERAL SERVICES	40,715,813	36,810,478	3,905,335
4,777,355	3,500,000	1,277,355	Community Services	3,545,320	1,712,150	1,833,170
-	-	-	Subsidised Services	-	-	-
25,555,068	29,377,615	(3,822,547)	Economic Services	37,170,493	35,098,327	2,072,166
3,044,315	718,458	2,325,857	TRADING SERVICES	3,578,780	697,936	2,880,844
33,376,738	33,596,073	(219,336)	TOTAL	44,294,594	37,508,414	6,786,180
	(219,336)					6,786,180
	1,388,052		Appropriation for the year(refer to note 16)			(138,832)
	1,168,716					6,647,348
	5,049,441		Accumulated surplus beginning of the year			6,218,157
			ACCUMULATED SURPLUS END OF			
	6,218,157		THE YEAR			12,865,505

AGANANG MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2007

	2007 R	2006 R
1. TRUST FUNDS		
People Housing Project Housing Grant	628,356	2,161,827
The Municipality has a bank account that serves as security for the fund balance.		
2. RESERVES		
Transitional Fund	1,356,653.00	1,356,653
Tax capacity fund	97,040.00	97,040
Governance fund	272,201.00	272,201
Conditional Grant	350,000.00	350,000
Transfer from previous TLC	4,597,038	4,597,038
Transfer from Moletji/Matlala	37,827.00	37,827
(See Appendix A)	6,710,759	6,710,759
3. FIXED ASSETS		
Fixed assets at the beginning of the year	28,765,048	13,487,439
Capital expenditure during the year	10,944,553	15,340,982
Asset previously written off(not accounted in prior year)	-	(63,373)
Assets disposed during the current year	(414,186.64)	
	39,295,414	28,765,048
Less: Loans redeemed and other capital receipts	39,295,414	28,765,048
Net Fixed Assets	-	-
(See Appendix B)		
4. DEBTORS		
Sundry Debtors	8,064,172	7,296,601
	8,064,172	7,296,601
Less: Provision for bad debts	-	-
	8,064,172	7,296,601

5. BANK AND CASH

Bank (ABSA)	6,409,494	107,862
Bank(ABSA-PHP Housing)	628,356	2,161,827
Bank(Aganang Child headed families)	(137)	-
	<u>7,037,713</u>	<u>2,269,689</u>

The Municipality has a bank account that serves as security for the Trust Fund.

6. INVENTORY

Refreshments	3,073	1,738
Stationery	81,460	56,119
Consumables	13,642	4,513
Water meters	100,000	100,000
	<u>198,175</u>	<u>162,370</u>

7. INVESTMENTS

ABSA 32 Day Call Account	<u>6,517,380</u>	<u>8,000,000</u>
	<u>6,517,380</u>	<u>8,000,000</u>

8. CREDITORS

Trade creditors	347,106	1,536,267
	<u>347,106</u>	<u>1,536,267</u>

9. PROVISIONS

Provision for leave	689,173.5	851,883
Retention	576,540	249,766
	<u>1,265,714</u>	<u>1,101,648</u>

CASH GENERATED BY OPERATIONS

(Deficit)/Surplus for the year	6,786,180	-219,336
Adjustment for:		
Prior year adjustment	(138,832)	1,388,052
Investment income		(952,499)
Fixed assets	10,944,553	15,340,982
MIG	-7,862,131	
Equitable shares	<u>(24,760,373)</u>	<u>(29,133,956)</u>
	<u>(15,030,603)</u>	<u>(13,576,757)</u>

5. BANK AND CASH

Bank (ABSA)	6,409,494	107,862
Bank(ABSA-PHP Housing)	628,356	2,161,827
Bank(Aganang Child headed families)	(137)	-
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Adjustment for:		
Prior year adjustment	(138,832)	1,388,052
Investment income		(952,499)
Fixed assets	10,944,553	15,340,982
MIG	-7,862,131	
Equitable shares	<u>(24,760,373)</u>	<u>(29,133,956)</u>
	<u>(15,030,603)</u>	<u>(13,576,757)</u>

16. APPROPRIATIONS

Unappropriated Surplus/(Deficit) at beginning of year	6,218,157	5,049,441
Trade surplus/(deficit)	6,786,180	(219,336)
Prior year adjustments	(138,832)	1,388,052
Accounts payable reversed/cancelled		889,942
Prior year vat receipts		497,866
Receipts understated during prior year		3,345
Income received overstated in prior year		(4,800)
Cellphone debt understated	28,061	(3,327)
Assessment rates overstated	(67,920)	
Cellphone accrual overstated		5,696
Cheques understated in prior year	(39,042)	191
Overstatement of accounts receivable 2005		(864)
Cheque overrated in prior year		2
	12,865,505	6,218,157

17. TRANSITIONAL AND EQUITABLE SHARES

Equitable Shares	24,760,373	20,731,419
	24,760,373	20,731,419

18. FINANCE TRANSACTIONS

Total external interest earned or paid:		
Interest earned	1,169,054	952,488
Interest paid	3	-
	1,169,057	952,488

19 CAPITAL COMMITMENTS

Commitments in respect of capital expenditure:		
- Approved and contracted for		350,282
Buildings	3,704,299	
Electrification	3,900,417	
This expenditure will be financed from		
- External sources	3,704,299	350,282
- Internal sources	3,900,417	-
	7,604,716	350,282

20 RETIREMENT BENEFITS

Personnel are members of the Municipal Gratuity Fund, Municipal Employees Pension Fund, and National Pension Fund for Municipal Workers whilst councillors are members of the Municipal Pension Fund for Councillors.

AGANANG MUNICIPALITY APPENDIX A

STATUTORY FUNDS, TRUST FUNDS AND RESERVES FOR THE YEAR ENDED 30 JUNE 2007

	Balance at 30.6.2006	Contributions during the year	Interest on investment	Other Income	Creditor- Expenditure during the year	Capital Expenditure during the year	Balance at 30.6.2007
	R	R	R	R	R	R	R
TRUST FUNDS							
PHP Housing Project	(2,161,827)	-	74,829			1,608,300	(628,356)
	<u>(2,161,827)</u>	<u>-</u>	<u>74,829</u>	<u>-</u>	<u>-</u>	<u>1,608,300</u>	<u>(628,355.82)</u>
RESERVE FUNDS							
Transitional Fund	(1,356,653)	-	-	-	-	-	(1,356,653)
Tax capacity fund	(97,040)	-	-	-	-	-	(97,040)
Governance fund	(272,201)	-	-	-	-	-	(272,201)
Conditional Grant-Provisional Gov	(350,000)	-	-	-	-	-	(350,000)
Transfer from Moletji/Matlala	(37,827)	-	-	-	-	-	(37,827)
Transfer from previous TLC	(4,597,038)	-	-	-	-	-	(4,597,037.59)
	<u>(6,710,759)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,710,758.59)</u>
TOTAL	<u>(8,872,586)</u>	<u>-</u>	<u>74,829</u>	<u>-</u>	<u>-</u>	<u>1,608,300</u>	<u>(7,339,114)</u>

AGANANG MUNICIPALITY

APPENDIX B

ANALYSIS OF FIXED ASSETS FOR THE YEAR ENDED 30 JUNE 2007

	Balance at 30.6.2006 R	Expenditure 2007 R	Transferred during the year R	Balance at 30.6.2007 R
SERVICE				
RATES AND GENERAL SERVICES				
Community Services	25,566,644	10,895,498	414,187	36,047,955
Community Services	520,570	563,239	-	1,083,809
Municipal Manager's Office	204,463	12,281	-	216,744
Mayor's Office	395,600	6,141	-	401,741
Finance Department	885,734	413,448	-	1,299,182
Corporate Services	11,735,185	5,332,362	414,187	16,653,360
Strategic	760,547	322,058	-	1,082,605
Infrastructure	11,064,545	4,245,969		15,310,514
				-
Trading Services	3,198,401	49,055	-	3,247,456
Water	3,198,401	49,055	-	3,247,456
<hr/>				
TOTAL FIXED ASSETS	28,765,046	10,944,553	414,187	39,295,412
LESS: LOANS REDEEMED AND				
<u>OTHER CAPITAL RECEIPTS</u>	28,765,046	10,944,553	414,187	39,295,412
Proceeds on sale of asset	125,885	-	239,324	365,209
Transfer from old TLC	317,468	-	-	317,468
Asset not accounted in prior year	16,627	-		16,627
Grants Received	7,989,610	5,461,033	174,863	13,625,506
Equitable Shares	20,315,456	5,483,520	-	25,798,976
NET FIXED ASSETS	-	-	-	-

**AGANANG MUNICIPALITY
APPENDIX C**

ANALYSIS OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2007

	Actual 2007 R	Budget 2007 R
INCOME		
Grants and subsidies	37,079,817	42,671,824
- Equitable share	24,760,373	24,760,373
- LGFMG	500,000	500,000
- DLGH Grant	1,000,000	1,000,000
- Municipal Support Grant	273,313	273,313
- CDM Grant	950,000	850,000
- MSIG	734,000	734,000
-LIMDEF	1,000,000	-
-MIG	7,862,131	7,943,313
-Surplus appropriated		6,610,825
Operating Income	7,214,776	6,966,582
Interest Received	1,177,184	500,000
Residential Levy	444,837	300,000
Tender Fees	96,550	-
Database registrations	44,100	-
Private Copier	344	-
Site Dermacation	1,120	-
Donation Received	93,900	-
Water Services	5,775	-
Cellphone Allowance	230,809	-
Property Rates	2,167,394	2,000,000
Facility Rental	122,279	150,000
Assessment Rates		-
Free basic services	-	-
PHP Reimbursements	1,712,150	2,236,582
Community Development Workers	-	-
Other Income	255,488	930,000
Proceeds on disposal of asset	165,000	-
Free basic Water	697,846	850,000
TOTAL INCOME	44,294,594	49,638,406
EXPENDITURE		
Salaries and wages	17,124,263	20,533,653
General expenses	8,719,519	9,196,054
- Purchases of water	-	-
- Other expenses	8,719,519	9,196,054
Repairs and maintenance	175,918	140,600
Audit Fees	544,160	555,000
Bad debts	-	-
Contributions to capital outlay	10,944,553	19,213,099
-Equitable Shares	4,057,303.56	8,183,203.99
-PHP	1,712,150.5	2,236,582.00
-MIG	5,175,099.00	7,943,313.18
-CDM		850,000.00
GROSS EXPENDITURE	37,508,414	49,638,406
NET EXPENDITURE	37,508,414	49,638,406
NET SURPLUS/(DEFICIT)	6,786,180	(0.00)

**AGANANG MUNICIPALITY
APPENDIX E**

DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

2,006	2,006	2,006		2,007	2,007	2,007	2,007
Actual Income R	Actual Expenditure R	Surplus/ (Deficit) R		Actual Income R	Budget	Actual Expenditure R	Surplus/ (Deficit) R
RATES AND GENERAL SERVICES							
4,777,355	3,500,000	1,277,356	Community Services	3,545,320	3,666,582	1,712,150	1,833,170
32,000	-	32,000	Donations Received	93,900		-	93,900
954,507	-	954,507	Interest Received	1,177,184	500,000	-	1,177,184
900	-	900	Site dermacation	1,120		-	1,120
1,134	-	1,134	Private Copier	344		-	344
-	-	-	Insurance Claim	74,324		-	74,324
219,289	-	219,289	Cellphone Allowance	230,809		-	230,809
	-	-	Refunds			-	-
	-	-	IDP			-	-
69,526	-	69,526	Other Income	255,488	930,000	-	255,488
3,500,000	3,500,000	-	PHP Reimbursements	1,712,150	2,236,582	1,712,150	-
		-					
25,555,068	29,377,615	(3,822,547)	Economic Services	37,170,493	42,671,824	35,098,327	1,907,166
25,555,068	29,377,615	(3,822,547)	Grants Received	37,005,493	42,671,824	35,098,327	1,907,166
			Proceeds on disposal of an asset	165,000			
3,044,315	718,458	2,325,857	Trading Services	3,578,780	3,300,000	697,936	2,880,844
	-	-	Water Services	5,775		-	5,775
50,765	-	50,765	Residential Levy	444,837	300,000	-	444,837
634,545	634,545	-	Free basic water	697,846	850,000	697,936	(90)
2,193,799	-	2,193,799	Assessment Rates	2,167,394	2,000,000	-	2,167,394
75,356	-	75,356	Facility Rental	122,279	150,000	-	122,279
	83,913	(83,913)	Free basic services				
59,850	-	59,850	Tender Fees	96,550		-	96,550
30,000	-	30,000	Registration Fees	44,100		-	44,100
33,376,738	33,596,073	(219,336)	TOTAL	44,294,594	49,638,406	37,508,414	6,786,180
		1,388,052	Appropriations for the year	-			(138,832)
		1,168,716	TOTAL AFTER APPROPRIATIONS				6,647,348
		5,049,441	Accumulated surplus beginning of the year				6,218,157
		6,218,157	ACCUMULATED SURPLUS END OF THE YEAR				12,865,505

1. Income Generations

Aganang Municipality raised 88% increase in 2006/07 in terms of residential levy which it generated from its communities. Amount raised was from R50 765 to R407 150. The increase was caused by a 40% rebate offered to ratepayers by council in the 2006/07 financial year.

AGANANG MUNICIPALITY

APPENDIX E

STATISTICAL INFORMATION

2007

2006

GENERAL STATISTICS

Population

165,777

165,777

Registered Voters

56,383

56,383

Total Valuation

Taxable

287

287

Non Taxable

149

149

Commercial

843

843

Number of employees

75

61

CHAPTER 5

Functional Areas and Service Delivery Reporting

Aganang Municipality
GENERAL INFORMATION

Reporting Level	Detail	Total	
Overview:	Provide a general overview of municipality: this may include a short narrative of issues peculiar to the municipality and issues specific to the financial year being reported		
Information:	<Provide statistical information on (as a minimum):>		
	Geography:		
1	Geographical area in square kilometres	1,852,22	
	Note: Indicate source of information	stats01	
	Demography:		
2	Total population	147682	
	Note: Indicate source of information	stats01	
3	Indigent Population	<total>	
	Note: Indicate source of information and define basis of indigent policy including definition of indigent		
4	Total number of voters	<total>	
5	Aged breakdown:		
	- 65 years and over	11820	
	- between 40 and 64 years	<total>	
	- between 15 and 39 years	<total>	
	- 14 years and under	62934	
	Note: Indicate source of information	stats01	
6	Household income:		
	- over R3,499 per month	<total>	
	- between R2,500 and R3,499 per month	<total>	
	- between R1,100 and R2,499 per month	<total>	
	- under R1,100 per month	<total>	
	Note: Indicate source of information		

Function:	Executive and Council
Sub Function:	N/A

Reporting Level	Detail	Total	
Overview:	Includes all activities relating to the executive and council function of the municipality including costs associated with mayoral, councillor and committee expenses and governance. Note: remuneration of councillor information should appear in Chapter 4 on <i>Financial Statements and Related Financial Information</i> .		
Description of the Activity:	<p>The function of executive and council within the municipality is administered as follows and includes:</p> <p>financial viability</p> <p>Improve local economic development</p> <p><i>Basic service delivery</i></p> <p>These services extend to include <function/area> , but do not take account of <function/area> which resides within the jurisdiction of <national/provincial/other private sector> government. The municipality has a mandate to:</p> <p><i>A unified and effective municipality with sustainable quality services better for all</i></p> <p><i>To provide integrated quality services through community participation, good governance, efficient administration local economic development</i></p> <p>The strategic objectives of this function are to:</p> <p>Local Economic development</p> <p>financial viability</p> <p>Good governance and public participation</p> <p>Transformed management and Institutional Management</p> <p><i>Basic service delivery</i></p> <p>The key issues for 2006/07 are:</p> <p><i>Community Participation</i></p> <p>Good governance</p>		
Analysis of the Function:	<p><Provide statistical information on (as a minimum):></p> <p>1 Councillor detail:</p> <p>Total number of Councillors</p> <p>Number of Councillors on Executive Committee</p> <p>2 Ward detail:</p> <p>Total number of Wards</p> <p>Number of Ward Meetings</p> <p>3 Number and type of Council and Committee meetings:</p> <p>EXECUTIVE COUNCIL</p> <p>WARD COMMITTEE MEETINGS</p> <p>PORTFOLIO COMMITTEE MEETING</p> <p>COUNCIL</p>	<p></p> <p>36</p> <p>7</p> <p></p> <p>18</p> <p>72</p> <p>12</p> <p>108</p> <p>72</p> <p>4</p>	<p></p> <p>6,054,701</p> <p>1,760,573</p> <p></p> <p></p> <p>245,104</p> <p>78,169</p> <p>5,400</p>

Function:	Finance and Administration
Sub Function:	Finance

Reporting Level	Detail	Total	
Overview:	Includes all activities relating to the finance function of the municipality. Note: grants information should appear in Chapter 4 on <i>Financial Statements and Related Financial Information</i> .		
Description of the Activity:	<p>The function of finance within the municipality is administered as follows and includes:</p> <p><i>Expenditure Management</i></p> <p><i>Billing & Debtor management</i></p> <p><i>Payroll administration</i></p> <p><i>Supply Chain Management</i></p> <p><i>Financial reporting</i></p> <p>These services extend to include <function/area> , but do not take account of <function/area> which resides within the jurisdiction of <national/provincial/other private sector> government. The municipality has a mandate to:</p> <p>>Ensure that the municipal finances are properly accounted for</p> <p>>Cost recovery for municipal services is implemented</p> <p>>Indigents households benefits on Free Basic Services</p> <p>The strategic objectives of this function are to:</p> <p>>Achieve an effective financial management system through accurate record-keeping, adequate review & control of the Municipal Expenditure</p> <p>>Ensure that we prepare & implement municipal policies & control system accordingly</p> <p>The key issues for 2006/07 are:</p> <p>>Preparation of municipal Valuation roll</p> <p>>Preparation of Annual Financial Statements</p> <p>>Data collection & cleansing</p> <p>>Implementation of financial system</p> <p>>Management of assets</p>		<p>1,587,745.70</p> <p>196,720.00</p> <p>1,872,302.05</p> <p>200,800.00</p> <p>-</p> <p>1,200,000.00</p> <p>-</p> <p>50,000.00</p> <p>200,000.00</p> <p>231,000.00</p>
Analysis of the Function:	<p><Provide statistical information on (as a minimum):></p> <p>1 Debtor billings: number and value of monthly billings:</p> <p>Assessment rates</p> <p>- Number and amount billed each month across debtors by function (eg: water, electricity etc)</p> <p>Business</p> <p>Parastatals</p> <p>Gouvernement</p> <p>2 Debtor collections: value of amount received and interest:</p> <p>Function - <list function here eg: water, electricity etc></p> <p>- Value received from monthly billings each month and interest from the previous month across debtors by function (eg: water, electricity etc)</p> <p>Business</p> <p>Parastatals</p> <p>Gouvernement</p>	<p><total></p> <p>847</p> <p>Billed</p> <p>61,511.00</p> <p>1,310.00</p> <p>117,245.00</p> <p>R (000s)</p> <p><total></p> <p><received></p> <p>19,747.00</p> <p>7,436.00</p> <p>28,199.00</p>	<p>R (000s)</p> <p><total></p> <p>180,067.00</p> <p>Received</p> <p>0</p> <p>0</p> <p>0</p>

3	Debtor analysis: amount outstanding over 30, 60, 90 and 120 plus days:	R (000s)	
	Assessment rates		
	- Total debts outstanding over 30, 60, 90 and 120 plus days across debtors by function (eg: water, electricity etc)	<total>	6,148,800.00
		Age	Total
	Business	30	61,511.00
	Business	60	123,022.00
	Business	90	184,534.00
	Business	120	1,681,260.00
	Parastatals	30	1,310.00
	Parastatals	60	2,621.00
	Parastatals	90	3,931.00
	Parastatals	120	13,566.00
	Governement	30	117,245.00
	Governement	60	234,490.00
	Governement	90	351,735.00
	Governement	120	3,373,574.00
4	Write off of debts: number and value of debts written off:		R (000s)
	- Total debts written off each month across debtors by function (eg: water, electricity etc)	<number>	<value>
	Bisuness	19	8,432.94
5	Property rates (Residential):		R (000s)
	- Number and value of properties rated	0	0
	- Number and value of properties not rated		
	- Number and value of rate exemptions		
	- Rates collectible for the current year		
Reporting Level	Detail	Total	
6	Property rates (Commercial):		R (000s)
	- Number and value of properties rated	0	
	- Number and value of properties not rated		
	- Number and value of rate exemptions		
	- Rates collectible for the current year	0	
7	Regional Service Council (RSC) levies:		
	- Number and value of returns		
	- Total Establishment levy	n/a	
	- Total Services levy	n/a	
	- Levies collected for the current year	n/a	
8	Property valuation:		
	- Year of last valuation		
	- Regularity of valuation		
9	Indigent Policy:		
	- Quantity (number of households affected)		1806
	- Quantum (total value across municipality)		
10	Creditor Payments:	R (000s)	
	<List creditors here>	<value>	<age>
	Trade creditors	347,106.00	30
11	Credit Rating:	R (000s)	
	<List credit rating details here>	<value>	<date>
	The Council does not credit rating	n/a	n/a
12	External Loans:	R (000s)	R (000s)
		<received>	<paid>
	- Total loans received and paid during the year	0	0
13	Delayed and Default Payments:		
	<List delayed and default payments here>	<value>	<date>
	Sars	127189.74	27/03/2007
	Note: This information need not be reported here if reported as notes to the accounts.		

Function:	Finance and Administration
Sub Function:	Human Resources

Reporting Level	Detail	Total	
Overview:	Includes all activities relating to the human resource management function of the municipality including recruitment, selection and induction - also performance management systems, code of conduct detail and decision making systems. Note: Read in conjunction with Chapter 3 on <i>Human Resource Management</i> .		
Description of the Activity:	<p>The function of human resource management within the municipality is administered as follows and includes:</p> <p>Staff Provisioning and Personnel Administration</p> <p>Training and Development</p> <p>Labour Relations</p> <p>Organisational Development</p> <p>HR policy development and review</p> <p><List administration of each function here: this should detail what is offered, and how it is offered to the community></p> <p>Staff Provisioning and Personnel Administration</p> <p>a) Advertisement of positions internally and externally.</p> <p>b) Selection, appointments and induction.</p> <p>c) Opening of new employee files and maintenance of personnel files</p> <p>d) Administration of personnel Remuneration & benefits</p> <p>Training and Development</p> <p>a) Conduct Skills Audit</p> <p>b) Compile Workplace Skills Plan and implementation plan</p> <p>c) Coordinate trainings.</p> <p>d) Compile reports, Review WSP and submit internally and externally.</p> <p>Labour Relations</p> <p>a) Advise council on labour relations matters</p> <p>b) Register grievances and disciplinary enquiries</p> <p>c) Advise on grievance and disciplinary procedures</p> <p>d) Advise on new amendments of labour relations legislations.</p> <p>e) Develop Policies and review.</p> <p>Organisational Development.</p> <p>a) Review Organisational structure</p> <p>b) Monitor Implementation of organisational structure</p> <p>c) Develop and review employment equity plan.</p> <p>These services extend to include <function/area> , but do not take account of <function/area> which resides within the jurisdiction of <national/provincial/other private sector> government. The municipality has a mandate to:</p> <p><List here></p> <p>The strategic objectives of this function are to:</p> <p>Recruitment and placement</p> <p>Training and development</p> <p>Disciplinary Enquiries finalized</p> <p>Employment Equity Plan in terms of the EEA and Report developed and Submitted.</p> <p>Local Labour Forum</p> <p>Grievances</p> <p>Labour Disputes</p>		

	The key issues for 2006/07 are:		
	Number of positions advertised		
	Number of appointments		
	Number of resignations		
	Developed process plan		
	Review WSP 2007/08		
	Review WSP 2007/08		
	Training Plan		
	% skills development – None Budgeted		
	% skills development Plan – Budgeted		
	% EEP implemented- internal adverts		
	Designated groups (PwD, females,males)		
	Reports submitted.		
	Number meetings held.		
	Number grievances resolved/referred.		
	Number resolved/raised.		
Analysis of the Function:	<Provide statistical information on (as a minimum):>		
1	Number and cost to employer of all municipal staff employed:	61	R 9,447,559.25
	Managers	4	R 1,815,000.00
	Deputy Managers	2	R 650,760.00
	- Senior officers	13	R 2,988,373.84
	- Officers	13	R 1,964,619.30
	- Clerk	17	R 1,257,129.20
	Driver, Operators and handy man	4	R 274,439.79
	- General Assistants	6	R 297,237.12
	- Temporary Staff	<total>	<cost>
	- Contract Staff (interns)	2	R 200,000
	Note: total number to be calculated on full-time equivalent (FTE) basis, providing detail of race and gender according to the breakdown described above. Total cost to include total salary package		

Function:	Finance and Administration
Sub Function:	Other Administration (Procurement)

Reporting Level	Detail	Total	
Overview:	Includes all activities relating to overall procurement functions of the municipality including costs associated with orders, tenders, contract management etc		
Description of the Activity:	<p>The function of procurement within the municipality is administered as follows and includes:</p> <p><i><List administration of each function here: this should detail what is offered, and how it is offered to the community></i></p> <ol style="list-style-type: none"> 1.Demand management -sourcing of specification and ensuring that they are in line with IDP and Budget objective. 2. Acquisition-Procuring of items required as Municipal need, to ensure that services delivery is achieved. 3.Logistic Management-Managing items purchased in order to yield the required output effectively and efficiently. 4.Performance Management-Monitoring and Evaluation of Municipal Procurement. 5.Risk Management-Managing Risk in order to reduce or eliminate its impact. <p>The strategic objectives of this function are to:</p> <ol style="list-style-type: none"> 1.Plan Capital Projects implement them accordingly to be the cash flow Projection plan of the Municipality. 2. Manage Procurement to be within 42% of operating expenditure budget. <p>The key issues for 2006/07are:</p> <p>Implementation os Supply Chain Management policy effective and efficient demand and acquisition Management.</p>		
Analysis of the Function:	<p><i><Provide statistical information on (as a minimum):></i></p> <ol style="list-style-type: none"> 1 Details of tender / procurement activities: <ul style="list-style-type: none"> - Total number of times that tender committee met during year - Total number of tenders considered - Total number of tenders approved - Average time taken from tender advertisement to award of tender <p>Note: Figures should be aggregated over year across all municipal functions</p> 2 Details of tender committee: <ul style="list-style-type: none"> - Details of tender committee membership <p>Note: List details of each member of the tender committee</p> <p>Pretty Mabundza-Chief Financial Officer</p> 	<p><number></p> <p><number></p> <p><number></p> <p><number></p>	

as per score card

07-Jun

Ronald Malungana-Technical Service Manager
Ouma Napo-Deputy Manager Corporate Services

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<i><List at least five key performance areas relative to the above function as articulated in the budget here></i>	<i>Establishment of Supply Chain Management-Centralisation 100% of the SCM unit from demand , acquisition to logistical management.Implementation of SCM Policy-Policy is 75% fully implemented and we target that all clause with the policy is implemented</i>		

Function:	Planning and Development
Sub Function:	Economic Development

Reporting Level	Detail	Total	
Overview:	Includes all activities associated with economic development initiatives		
Description of the Activity:	<p>To promote socio-economic environment which impacts towards sustainable local economic growth. To identify the areas with high economic potential. To promote investment and encourage the potential investors to invest within the municipality. To promote the development of smme formal and informal sectors of the economy. To promote and encourage private/public partnership. Facilitation of capacity programme for sectors of business economy. To link local business products with markets. Facilitation of business plans development and sourcing of funds. Ensure sustainability of projects.</p> <p>The function of economic planning / development within the municipality is administered as follows and includes:</p> <p><To co-ordinate, facilitate, promote, link, and lobby investment. To identify the areas of high economic value for investment. To advise the municipality in planning the usage of the land for economic growth. List administration of each function here: this should detail what is offered, and how it is offered to the community> To ensure the sustainability and proper usage of the available resources for future generation and maintaining environmental stability. Ensure proper intergration of programmes with other sector department during planning and implementation.</p> <p>These services extend to include <function/area> , but do not take account of <function/area> which resides within the jurisdiction of <national/provincial/other private sector> government. The municipality has a mandate to:</p> <p>To empower , develop the community economically in providing capacity building to enhance their skills.</p> <p>The strategic objectives of this function are to:</p> <p>To promote economic growth which is community driven and sustainable.</p> <p>The key issues for 200X/0Y are:</p> <p>Establishment of agricultural, manufacturing, smme which are sustainable to enhance local economic growth.</p>		
Analysis of the Function:	<p><Provide statistical information on (as a minimum):></p> <p>1 Number and cost to employer of all economic development personnel:</p> <ul style="list-style-type: none"> - Professional (Directors / Managers) - Non-professional (Clerical / Administrative) - Temporary - Contract <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package</p> <p>2 Detail and cost of incentives for business investment:</p> <p><Laffordable rates and taxes for the investors.</p> <p>Note: list incentives by project, with total actual cost to municipality for year. Land, water, electricity.</p> <p>3 Detail and cost of other urban renewal strategies:</p> <p><list details></p> <p>Note: list strategies by project, with total actual cost to municipality for year</p> <p>4 Detail and cost of other rural development strategies:</p> <p><list details></p> <p>Note: list strategies by project, with total actual cost to municipality for year</p> <p>5 Number of people employed through job creation schemes:</p> <ul style="list-style-type: none"> - Short-term employment - Long-term employment <p>Note: total number to be calculated on full-time equivalent (FTE) basis, and should only be based on direct employment as a result of municipal initiatives</p>	<p>R (000s)</p> <p><cost></p> <p>N/A</p> <p><cost></p> <p>N/A</p> <p><cost></p> <p>N/A</p> <p>R (000s)</p> <p><cost></p> <p>N/A</p> <p>R (000s)</p> <p><cost></p> <p>N/A</p> <p>R (000s)</p> <p><cost></p> <p>N/A</p> <p>1420</p> <p>1154</p> <p>266</p>	

	6	Number and cost to employer of all Building Inspectors employed:	N/A	R (000s)
		- Number of Building Inspectors	N/A	<value>
		- Temporary	N/A	
		- Contract	N/A	
		Note: total number to be calculated on a full-time equivalent (FTE) basis, total cost to include total salary package	N/A	
	6	Details of building plans:		
		- Number of building plans approved	N/A	
		- Value of building plans approved	N/A	
Reporting Level		Detail	Total	
		Note: Figures should be aggregated over year to include building plan approvals only	N/A	
	7	Type and number of grants and subsidies received:	R 935,000	R (000s)
		DBSA GRANT		<value>
		Note: total value of specific planning and development grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.		

**Aganang Local Municipality
PO Box 990
Juno
0748
Tel: 015 295 1400
Fax : 015 295 1401/47
E-mail address: admin@aganang.gov.za
Website: www.aganang.org.za**